

Old Age, Disability, Death

First law: 1956 (state-sector employees); 1964 (collective farmers).

Current law: 1990, decrees in 1992 and 1993.

Type of program: Social insurance system.

Exchange rate: U.S.\$1.00 equals 4.35 lei.

Republics, local authorities, and employers can provide supplementary benefits out of their own budgets.

Coverage

Employed citizens, including members of collective farms, and the contributing self-employed.

Source of Funds

Insured person: 1% of earnings. 23% of earnings for self-employed.

Employer: 38% of payroll for agriculture and industry, 30% for State budget supported organizations, and 4.7% for charitable organizations and shelter workshops.

Government: Ad hoc flat-rate payments to offset price increases as result of the Government's cut back in food and fuel subsidies.

Whole cost of "social pension."

Above contributions also finance cash benefits for sickness and maternity, work-injury disability and survivor pensions, unemployment, and family allowances.

Qualifying Conditions

Old-age pension: Age 60 and 25 years of covered employment (men) or age 55 and 20 years of work (women); requirements reduced for hazardous or dangerous work (men aged 55 with 20 years of work, of which at least 10 were in hazardous and arduous conditions, or aged 50 with 25 years of work of which at least 12 years and 6 months were in hardship conditions; women aged 50 with 15 years of work of which at least 7 years and 6 months were in hardship conditions, or women aged 45 with 20 years of work of which at least 10 years in hardship conditions), and for mothers of 3 or more children, or of disabled children.

Disability pension: Total disability (incapacity for any work): Group I disability, requiring constant attendance; Group II disability, not requiring constant attendance.

Partial disability (incapacity for usual work): Group III disability. Insured has a minimum of 1 to 15 years of covered employment, depending on age of onset of disability.

Survivor pension: Insured has up to 15 years of work, payable to surviving, nonworking dependents (including children, grandchildren and siblings under age 18 or older if disabled before 18 or until age 23 if students; spouse; either parent, if disabled and not yet of pensionable age; grandparents, if no other support available; adoptive parents and adopted children, stepfather and stepmother if they raised and supported the stepson or stepdaughter for at least 5 years; stepchildren if not receiving support from their parents; and other relatives—regardless of their age or ability to work—if employed by the deceased to care for grandchildren, children, or siblings under age 8).

Social pension: Non-working or disabled citizens who meet the age requirements (i.e., age 60 for men or 55 if women; disabled whose disability began in childhood, or disabled children under age 16),

and who are not eligible for employment-related old-age, disability, or survivor pension.

Old-Age Benefits

Old-age pension: 55% of *wage base*, if 25 years (men, or 20 years if women) of work; plus 1% of wage for each year in excess of 25 years (men, or 20 for women). For persons worked in particularly dangerous and hazardous conditions, benefit is increased by 1% for each full year of work in excess of the preferential qualifying length of service (i.e., for men aged 50 and worked more than 10 years or aged 55 and worked more than 12 years and 6 months in hardship conditions; for women aged 45 and worked more than 7 years and 6 months or aged 50 and worked more than 10 years in hardship conditions). Payable monthly. Maximum: 75% of *wage base*, not to exceed 2 times the minimum pension. (Minimum pension: 18 lei as of July 1994.)

Wage base equals gross average earnings in last year preceding retirement.

Partial pension (if insufficient years of covered employment, but with at least 12 years and 6 months of work for men, and 10 years of work for women): Monthly benefit reduced in proportion to number of years below required years of coverage; minimum, 100% of minimum old-age pension.

Supplement for disabled dependents: Monthly benefit at 2/3 of minimum old-age pension for each disabled dependent of non-working pensioner.

Constant-attendance supplement (pensioner aged 80 or older): 2/3 of minimum old-age pension per month.

Social pension: 50% of minimum old-age pension per month; 100% of minimum old-age pension for mothers of 3 or more children.

Adjustment: Periodic review of pensions according to cost of living changes.

Permanent Disability Benefits

Disability pension: Total disability pension: Group I disability pension, 75% of *wage base* (see old-age pension) plus constant attendance supplement; Group II disability pension, 55% of *wage base*. Minimum pension for Group I and II disability: 100% of minimum old-age pension.

Partial pension for total disability (if insufficient years of covered employment): Same as under old-age pension.

Supplement for disabled dependents: Same as under old-age pension. Constant-attendance supplement (Group I disabled and other medically certified pensioners): Same as under old-age pension.

Partial (Group III) disability, 30% of *wage base*; minimum, 50% of minimum old-age pension. Payable monthly.

Social pension for Group I disabled, disabled children under age 16, or Group I and II disabled with disability began in childhood: 100% of minimum old-age pension.

Social pension for partial (Group III) disability: 30% of minimum old-age pension per month.

Adjustment: Periodic review of pensions according to cost of living changes.

Survivor Benefits

Survivor pension: Payable monthly at 30% of *wage base* (see old-age pension) for each non-working dependent.
Minimum: 50% of minimum old-age pension.
Partial pension (if insufficient period of covered employment): Same as under old-age pension.
Social pension for each survivor: 50% of minimum old-age pension.
Adjustment: Periodic review of pensions according to cost of living changes.

Administrative Organization

The Ministry of Labor and Social Protection, general coordination and supervision.
Local social security departments, administration of program.

Work Injury

First and current laws: 1955 (short-term benefits) and 1991 (pensions).
Local authorities and employers can provide supplementary pension benefits out of their own budgets.
Type of program: Dual social insurance (cash benefits) and universal (medical care) system.

Coverage

Cash benefits: Employed persons.
Medical care: All residents.

Source of Funds

Insured person: See pension contributions above.
Employer: Same.
Government: Same; cost of medical care.

Qualifying Conditions

Work-injury benefits: No minimum qualifying period.

Temporary Disability Benefits

Temporary disability benefit: 100% of earnings.
Payable from first day of incapacity, until recovery or award of disability pension.

Permanent Disability Benefits

Permanent disability pension: Same as general disability pensions above.

Workers' Medical Benefits

Medical benefits: Medical services provided directly to patients by governmental health providers, including general and specialist care, hospitalization, laboratory services, transportation, plus full cost of appliances and medicines.

Survivor Benefits

Survivor pension: Same as general survivor pensions above.

Administrative Organization

Temporary disability benefits: Enterprises and employers pay benefits to own employees.
Pensions: Same as under old-age, disability and survivor pensions above.
Medical care: Republic Ministry of Health, and health departments of local governments, general supervision and coordination; provision of medical services through clinics, hospitals, and other facilities administered by the Health Ministry and local health departments.

Unemployment

First and current law: 1992, decrees in 1993.
Type of program: Social insurance system.

Coverage

Citizens aged 18-59 (men) or 18-54 (women).

Source of Funds

Employee: None.
Employer: See pension contributions above.
Government: None.

Qualifying Conditions

Unemployment benefit: Registered at employment office, and ability and willingness to work. Benefits may be reduced, postponed, suspended or terminated if worker is discharged for violating work discipline; leaving employment without good cause; violating conditions for job placement or vocational training; or filing fraudulent claims.

Unemployment Benefits

Unemployment benefit: For young persons who have completed apprenticeship and graduated from technical college: benefits equal to 100% of the indexed national minimum wage; for ordinary school leavers seeking work for the first time: 75% of the minimum wage; for those who worked at least 6 months of the previous years: 50% of previous wage (not less than the minimum wage and not more than the average wage in the country).
Payable for a maximum of 6 months.
Early pension to unemployed older workers (men aged 58-59; women aged 53-54): Same as old-age pension (excluding supplements for dependents or constant attendance).

Administrative Organization

The Department of Employment within the Ministry of Labor and Social Protection, general supervision.
State Employment Service, administration of the program.

Family Allowances

First law: 1944.
Current law: 1993.
Type of program: Dual universal and social assistance system.

Coverage

Families with children.

Source of Funds

Insured person: None.

Employer: See pension contributions, above.

Government: None.

Qualifying Conditions

Family allowances: Children under age 16 (18, if student). Other qualifying conditions vary according to benefits.

Family Allowance Benefits

Family allowances: For the care of a child aged under 18 months: monthly benefit at 100% of minimum wage payable to working mothers whose covered employment is at least 1 year, to mothers under age 18, and to mothers on leave from employment pursuing studies; 50% of minimum wage payable to working mothers who do not have the qualifying 1 year covered employment, and to non-working mothers.

For children aged 18 months to 6 years old: allowances equal to 25% of minimum wage if per capita family income does not exceed 2 times the minimum wage. For children aged 6-16 (18, if student) years old: allowances equal to 30% of minimum wage if per capita family income is less than half the minimum wage (if two or fewer children), or 2/3 of minimum wage (if three or more children).

For single mothers with children aged 6 to 16 (18, if student): 30% of minimum wage per month in addition to the regular family allowance.

For children whose parents evading support: 25% of minimum wage in addition to the regular family allowance.

Birth grant: lump sum equal to 2 times minimum wage.

Adjustment: Periodic benefit adjustments for allowances to children aged under 6 based on minimum wage changes, plus ad hoc flat-rate payments to offset price increases as result of the Government's cutbacks in food and fuel subsidies. Adjustments of allowances to children aged 6 and older are subject to changes not necessarily indexed to minimum wage changes.

Administrative Organization

The Ministry of Labor and Social Protection, general oversight of the program. Local departments of social security, administration of benefit awards and payments to non-working parents; enterprises and employers, benefit awards and payments to own employees.

Contact—Lillian Liu—202-282-7292

Note: Information is not readily available for "Sickness and Maternity (medical care)."